



The Americas Update

June 2004

Export News

Brazil- The Minister of Defense, José Viegas Filho, and American Ambassador Donna Hrinak, signed the Bilateral Aviation Safety Agreement (BASA) on March 22, 2004. The agreement will reduce the economic burdens of technical inspections, assessments, and redundant tests within the aeronautical industry. Environmental testing procedures will be recognized reciprocally, as will the approval and monitoring process for flight simulators, aircraft maintenance installations, and flight operation personnel.

[\(IMI 5/14/04\)](#)

Canada- With considerable fanfare, the governments of Canada and the province of Nova Scotia announced on May 12, 2004 funding approval of US\$287 million (CAD\$400 million) for the remediation of the Sydney Tar Ponds (STP) site. This 100-year-old steel mill site is known to harbor considerable volumes of PCBs and PAHs. Opportunities exist for incineration technologies, bio-remediation, monitoring & analysis devices, hazardous waste handling equipment, and other materials related to this type of project.

[\(IMI 5/19/04\)](#)

Canada- Canadians are going all natural. The Canadian market for natural health products is estimated to generate US\$2 billion in retail sales in 2004. Following dramatic growth throughout the 1990's the Canadian market for natural health products, which encompasses vitamins and minerals, probiotics, herbal remedies and supplements continues to diversify and grow at steady pace. U.S. exports make up more than 50% of Canada's imports of growing market retail sales that should surpass the USD\$2 billion mark in 2004. Most sales occurred through drug stores rather than large surface retailers or specialized stores. Other important tips include being careful of regional differences and reviewing new regulations.

[\(ISA 6/20/04\)](#)

Chile- There is an opportunity for U.S. manufacturers of medical equipment to sell their products to Clinica Indisa in Santiago, Chile. As a result of the development of a new wing devoted to ambulatory patients, Santiago's Clinica Indisa is seeing its sales up some 12%. In the second half of this year, Clinica Indisa plans to start another expansion project - a new building to increase its

capacity from 100 to 200 beds. This expansion is expected to be completed by the end of 2005. [\(IMI 6/9/04\)](#)

Dominican Republic- Brazilian Pepsi distributor and beer manufacturer Ambev has partnered with Embotelladora Dominicana, local manufacturer and distributor of Pepsi products in the Dominican Republic to start a new US\$100 million brewery project in Los Alcarizos (north of the city of Santo Domingo). Eduard Gil, Project Coordinator at Embotelladora Dominicana, mentioned opportunities available for U.S. exporters in the following sectors: refrigeration systems, fire prevention equipment, air compression systems, beverage storage containers, safety and security supplies, pipe installation, and water treatment plants. [\(IMI 6/20/04\)](#)

Ecuador- The Ecuadorian market for diagnostic instruments, reagents and supplies offers good opportunities for U.S. suppliers of these products as the country's largest municipalities and the Social Security Institute will designate large amounts of money to the purchase laboratory equipment and supplies. Provision of healthcare services by the Municipalities of Quito and Guayaquil will create a USD 100 million business opportunity for suppliers of medical equipment including laboratory equipment and supplies. The Social Security Institute will call for bids to equip and renovate its hospitals in all areas, including laboratory. [\(IMI 6/25/04\)](#)

Mexico- In the Fall of 2003 the swearing in of a new governor and of new municipal mayors in Monterrey, Nuevo León, brought with them a vision of change for the bus route systems as well as extensions of the metro lines. The current public transit system consists of both bus routes and *Metrorrey*, an underground, ground level, and overhead rail system. Neither the state nor the city authorities own the bus transportation systems. These are concessions given by the city authorities to private companies. US companies that manufacture related products or can provide new systems and engineering services should participate in Repcom 2004, to take place in Monterrey and Mexico City on November 15-19. More information on this event can be found on page 2 of the newsletter under "Trade Events." [\(IMI 6/2/04\)](#)

Mexico- Although Public institutions are not allowed to purchase used or refurbished equipment, Mexico is still a good market for refurbished medical equipment offered in

good quality conditions, with warranty and technical support. Clients for this kind of equipment are mainly medium and small private hospitals that need to comply with certain equipment requirements to get official certification and do not have enough resources to purchase new equipment. Most private doctors like to have small or portable equipment in their offices and are also good clients for refurbished medical equipment at good conditions and price. ([IMI 6/25/04](#))

Peru- Be careful what airline you choose if you're doing business with Peru. The announcement made on June 1, 2004 of the fifth annual set of determinations of drug traffickers who will be subject to the sanctions provided in the Foreign Narcotics Kingpin Act included Fernando Melciades Zevallos Gonzales, owner of the Peruvian airline company, AeroContinente, its subsidiaries, partner firms as well as other executives of these companies. Transactions carried out with this business could cost your company up to \$10 million including time in prison for any directors or executives knowingly participating in the violation. ([IMI 6/23/04](#))

Uruguay- The Uruguayan Government and U.S. Customs office are investigating the possibility of Uruguay's joining the Container Security Initiative (CSI), through which member ports assure certain security standards. CSI would allow the Port of Montevideo to control and check all container traffic headed to the United States by means of non-obtrusive container inspection equipment such as X-ray or gamma ray machines. CS Montevideo has been tracking closely Uruguay's progress of such tender. An Uruguayan customs official stated that the Government of Uruguay has decided to purchase mobile equipment, but they have not yet decided between a gamma or x-ray system. Cost of the operation will be approximately USD 2.5 million. ([IMI 6/14/04](#))

Venezuela- Venezuela's civil administration agency INAC (Instituto Nacional de Aviacion Civil) has contracted the International Civil Aviation Organization (ICAO) in Montreal to handle all tenders arising from a large project for improvement of the country's air traffic and airspace surveillance system. This will be the first of a series of tenders, all for air traffic control equipment, the modernization of control towers around the country and for a complete renovation of the country's air traffic control en-route center as well as for a complete re-equipping of aeronautical telecommunications facilities. U.S. companies in this line of business should assure that they are registered with ICAO in Montreal as manufacturers of air traffic control equipment as well as the supporting telecommunications and control tower equipment. ([IMI 5/19/04](#))

International Marketing Insights (IMI) are short profiles of specific market conditions or opportunities prepared in overseas markets and multi-development banks. For complete reports, contact the nearest Commercial Service office.

Spotlight- Standards Initiative

On May 18, 2004 Commerce Secretary Evans released a report to reduce standards-related trade barriers and called for broader collaboration across government and with U.S. industry to prevent technical obstacles that impede U.S. exports.

"Standards and related technical regulations affect an estimated 80 percent of world trade," Evans told an audience of industry and standards community representatives. "The recommendations in this report can improve how we tackle standards-related issues that distort trade and undermine our competitiveness."

"We have good news to tell today," Evans said, "and there are more improvements to come. We're committed to ensuring that standards are fair and responsive to market and technology needs. In many ways, this is the beginning of a new Commerce partnership with industry to combat standards as trade barriers to American goods and services."

"In the face of intensifying global competition, neither industry nor government can be complacent about standards-related issues," said Under Secretary for Technology Phil Bond. "The Secretary's Standards Initiative emphasizes best practices, provides critical education and training, expands our early warning tools, and creates greater collaboration with industry and government. Collectively, these actions will go a long way towards an effective rapid response system when standards become trade barriers."

The new report, Standards and Competitiveness Coordinating for Results, contains more than 50 recommendations. The report also summarizes key industry standards issues in international markets. Some of this information was gathered from more than 200 industry associations and standards organizations in 13 industry roundtables convened over the past year.

The report seeks to improve the efficiency and effectiveness of the Department's standards-related programs and policies. Its recommendations will help the Department identify new opportunities and better ways to work with the private sector and other U.S. government agencies on standards-related issues.

In March 2003, Evans launched the Department of Commerce Standards Initiative, an eight-point plan that responds to industry concerns that divergent standards, redundant testing and compliance procedures, and regulatory red tape are becoming one of the greatest challenges to expanding exports.

To support the new standards initiatives, the Western Hemisphere Regional Program is calling for each Latin American and Caribbean country post to undertake the following five basic activities:

1. Assign one Commercial Officer (CO) and one Commercial Specialist (CS) at each post.
2. Produce a short "Post Standards Profile" document – update annually.
3. Meet with the principal national standards body (ies) – public and private sectors.
4. Monitor and report on standards- and compliance – related matters, via IMIs, CCG section, etc.
5. Meet with and involve the local AmCham in the standards work.

For more information please contact:

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Trade Events

Sao Paulo, Brazil - Telexpo Wireless 2004 September 15-16, 2004

In 2004, Advanstar will hold the fourth edition of Telexpo Wireless, which became a landmark in the wireless communication market in Brazil in 2002.

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Rio de Janeiro, Brazil – Rio Oil & Gas Expo 2004 October 4-7, 2004

Rio Oil & Gas Expo 2004 is the most important Oil & Gas event in Latin America. This event is organized by the Instituto Brasileiro de Petroleo (IBP) and will take place at the Riocentro Expo Pavillion. There will be 800 Exhibitors, 35 Foreign Country participants, and 35,000 visitors. US companies interested in participating as an exhibitor in this show are encouraged to visit IBP's website: www.ibp.org.br

For more information or to participate in USCS' Product Literature Center (PLC) please contact Regina Cunha:

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Santiago, Chile – 12th International Conference in Biotechnology October 17-22, 2004

The 12th International Conference in Biotechnology is scheduled to take place in Santiago, from October 17th to the 22nd, in the CasaPiedra center. Over 800 scientists from all over the world are expected to attend the conference to discuss the latest biotechnology advancements.

For more information please contact:

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Monterrey and Mexico City, Mexico – Repcom 2004 November 15-19, 2004

This is a multi-sector mission to match U.S. suppliers with Mexican Companies.

For more information please contact:

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Useful Websites

www.aesdirect.gov

Still manually filling out your Shipper's Export Declaration? The Automated Export System now allows your company to file SED's online.

www.profitguide.com/export/

This site offers various articles with tips for achieving export success, as well as some interesting insights on various countries and markets.

www.researchandmarkets.com

It boasts the largest market research source offering articles on various topics of interest all over the world including South and Latin America.

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